

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

In re:	§	
	§	
KRISJENN RANCH, LLC,	§	
	§	
<i>Debtor.</i>	§	CASE NO. 20-50805-rbk
	§	
	§	
	§	
	§	

**LIMITED OBJECTION OF CREDITORS DMA PROPERTIES, INC. AND
LONGBRANCH ENERGY, LP TO DEBTORS' DISCLOSURE STATEMENT**

Creditors DMA Properties, Inc., and Longbranch Energy, LP (collectively “Creditors”), by and through their undersigned counsel, hereby submit this Limited Objection to the Debtors’ Second Amended Joint Disclosure Statement to Second Amended Substantively Consolidated Plan of Reorganization (Dkt. 155).

BACKGROUND

1. On April 27, 2020, Debtors filed a voluntary petition for relief with this Court under Chapter 11 of Title 11 of the United States Code.

2. On May 1, 2020, Debtors commenced an adversary proceeding against DMA Properties, Inc. (“DMA”), and Longbranch Energy, LP (“Longbranch”) seeking a declaratory judgment regarding an interest held by DMA and Longbranch concerning a pipeline right-of-way owned by Debtors.

3. DMA and Longbranch each filed counterclaims against Debtors, and beginning on January 11, 2021, the Court held a bench trial in the adversary proceeding. On March 24, 2021, the Court issued an opinion and judgment ruling concluding that DMA and Longbranch do not have cognizable net-profits interests in the pipeline right-of-way. However, the Court ruled in favor of

DMA on one of DMA's other claims, and on that basis, the Court awarded DMA \$175,143.60 from funds held in the Panola County court registry (Dkt. 237). Finally, the Court awarded DMA \$100,000.00 in attorneys' fees (Dkt. 267).

OBJECTIONS

4. Debtors' disclosure statement makes the assertion:

"DMA and Longbranch filed one joint claim related to the adversary action claiming an interest in the Express Pipeline and other miscellaneous relief, these claims were all denied through the trial. As a result, these claims are being disallowed in their entirety pursuant to the Court's judgment in case 20-05027. To the extent Longbranch or DMA have filed or claimed liens encumbering any of Debtors' property, those liens are void and Debtors may file a copy of the confirmed Plan and Confirmation order with any state or local government evidencing the liens have been voided."

Second Amended Disclosure Statement (Dkt. 155) at IV(F)(1)(ii)

5. DMA and Longbranch object to this treatment of their claims. DMA and Longbranch contend that they have a net-profits interest in the pipeline right-of-way, and DMA and Longbranch have appealed the bankruptcy court's judgment with respect to their net-profits interest in the pipeline right-of-way. Thus, if DMA and Longbranch prevail on appeal, their claims will be impaired. On this basis, DMA and Longbranch object that they should be disclosed as potentially impaired creditors and allowed to vote.

Respectfully submitted,

/s/ Christopher S. Johns

Christopher S. Johns
State Bar No. 24044849
Christen Mason Hebert
State Bar No. 24099898
JOHNS & HEBERT PLLC
2028 East Ben White Boulevard
Suite 240-1000
Austin, Texas 78741
512-399-3150
512-572-8005 fax
cjohns@johnshebert.com
chebert@johnshebert.com

/s/ Timothy Cleveland

Timothy Cleveland
State Bar No. 24055318
Austin Krist
State Bar No. 24106170
CLEVELAND | TERRAZAS PLLC
303 Camp Craft Road, Suite 325
Austin, Texas 78746
(512) 689-8698
tcleveland@clevelandterrazas.com
akrist@clevelandterrazas.com

Andrew R. Seger
State Bar No. 24046815
KEY TERRELL & SEGER
4825 50th Street, Suite A
Lubbock, Texas 79414
806-793-1906
806-792-2135 fax
aseger@thesegerfirm.com

Attorneys for Longbranch Energy and DMA Properties

Natalie F. Wilson
State Bar No. 24076779
LANGLEY & BANACK
745 East Mulberry Avenue, Suite 700
San Antonio, Texas 78212
210-736-6600
210-735-6889 fax
nwilson@langleybanack.com
Attorneys for DMA Properties and Frank Daniel Moore

Michael Black
BURNS & BLACK PLLC
750 Rittiman Road
San Antonio, TX 78209
mblack@burnsandblack.com

Jeffery Duke
DUKE BANISTER MILLER & MILLER
22310 Grand Corner Drive, Suite 110
Katy, TX 77494
jduke@dbmmlaw.com
Attorneys for Longbranch Energy

CERTIFICATE OF SERVICE

I certify that the foregoing was electronically served on any counsel of record in the above-captioned cause through the Court's ECF filing system on October 6, 2021.

/s/ Austin H. Krist
Austin H. Krist